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Security Council

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Report of the Secretary-General pursuant to paragraph 5 of resolution 1302 (2000)

I. Introduction

1. The present report is submitted pursuant to paragraph 5 of Security Council resolution 1302 (2000), in which the Council requested me to report on the implementation of the resolution 90 days after its entry into force. Although resolution 1302 (2000) was adopted on 8 June 2000, the distribution plan for phase VIII and its annexes were submitted by the Government of Iraq on 19 July 2000 and approved by me on 25 July 2000.

II. Action taken pursuant to Security Council resolution 1302 (2000)

Oil production and sale of petroleum and petroleum products

2. Pursuant to paragraph 7 of resolution 1302 (2000), I appointed, on 10 August 2000, two new oil overseers to approve export contracts for petroleum and petroleum products. They will take up their responsibilities in September 2000, bringing the number of oil overseers to three.

3. As at 31 July 2000, the Security Council Committee established by resolution 661 (1990) has approved, under phase VIII, a total of 118 contracts, including 29 contracts from phase VII extended into phase VIII, involving purchasers from 34 countries. The total quantity of oil approved for export under these contracts corresponds to approximately 360.9 million barrels for 180 days, with an estimated value of $8.5 billion (including pipeline fees, at current prices). Eighty-seven loadings, totalling 101.9 million barrels, with an estimated value of $2.4 billion, have so far been completed.

Priority allocations for food/nutrition and health sectors

4. In paragraph 2 of resolution 1302 (2000), the Security Council decided that, from the sum produced by the sale of petroleum and petroleum products by Iraq, the amounts I recommended in my supplementary report of 1 February 1998 (S/1998/90) for the food/nutrition and health sectors should continue to be allocated on a priority basis.

5. In this regard, I welcome the decision by the Government of Iraq to increase considerably the allocations under the distribution plan for phase VIII to meet the food, nutrition and health requirements of the population. The increased target level of 2,472 kilocalories per person per day and the corresponding increase in the financial allocation for the food basket are both welcome and in line with the recommendation contained in my supplementary report (S/1998/90) that a food basket of 2,463 kilocalories per person per day be provided under the programme.

6. The distribution plan for phase VIII has allocated $498 million to the health sector, which represents an increase of $193 million, or 63.3 per cent, as compared to the final allocation under phase VII. I also welcome the balanced allocation of funds in the health sector for both medicine and other health-related supplies in the distribution plan for phase VIII. One half of the health sector allocation has been earmarked for the purchase of medical supplies, parts and equipment, as well as items required for the rehabilitation of health facilities

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and infrastructure, while the remaining 50 per cent has been set aside for the procurement of medicines.

7. It is essential that the funding levels for the food and health sectors, as well as those of the targeted nutrition programmes, are kept under review to ensure the expeditious allocation of funds and the timely contracting of all supplies in quantities sufficient to meet the requirements and the targets set forth in the distribution plan.

Funds resulting from the suspension of the implementation of paragraph 8 (g) of resolution 986 (1995)

8. In accordance with paragraph 20 of Security Council resolution 1284 (1999) and paragraph 10 of resolution 1302 (2000), the implementation of paragraph 8 (g) of resolution 986 (1995) has been suspended for both phases VII and VIII, and funds have been allocated for the purposes set out in paragraph 8 (a) of resolution 986 (1995). As at 31 July 2000, the total amount involved was $30 million, comprising $20 million for phase VII and $10 million for the first 90 days of phase VIII. Information on how oil sales proceeds are distributed among the various sub-accounts is contained in the weekly report of the Office of the Iraq Programme, which is provided to the Security Council Committee and to the Permanent Mission of Iraq to the United Nations.

Minimizing the delay in the payment of oil revenues

9. To address the several delays in the payments of the oil revenues, due to belated delivery of original sets of documents, and in compliance with paragraph 13 of resolution 1302 (2000), it was decided to accelerate the preparation of the commercial invoice, as this was the document most often subject to delay. Under the expedited procedure, Iraq's State Oil Marketing Organization (SOMO) sends the original set of documents directly to the United Nations with a partially prepared invoice. Components of the invoice known at the time of loading, such as the volume of oil, are filled in by SOMO. When subsequently the market pricing information becomes available to complete the price formula in accordance with the letter of credit, SOMO faxes instructions to the United Nations Treasury to finalize the invoice. The Treasury completes the invoice and forwards all documents immediately to BNP-Paribas. The procedure has expedited the preparation of the commercial invoice and allows for the timely presentation of a full set of conforming documents. It should be noted that the Treasury relies on the information provided by SOMO so as not to expose the Organization to any liability in this regard. With the assistance of SOMO, this procedure has already been adopted in the case of letters of credit for oil contracts that have pricing formulas that cannot be calculated until three weeks after the date of the bill of lading.

Utilization of excess funds from the account created by paragraph 8 (d) of resolution 986 (1995)

10. In paragraph 14 of resolution 1302 (2000), the Security Council requested the Secretary-General to submit recommendations regarding the utilization of excess funds drawn from the account created by paragraph 8 (d) of resolution 986 (1995), in particular for the purposes set out in paragraphs 8 (a) and (b) of the latter resolution. On 28 July 2000, the Security Council Committee was informed that $52 million in unencumbered funds in the ESD (2.2 per cent) account was available for decision by the Committee as to its possible use and allocation.

Arrangements for the purchase of locally produced goods and to meet local costs

11. In paragraph 24 of resolution 1284 (1999), the Security Council had requested me to make the necessary arrangements, subject to Council approval, to allow funds deposited in the escrow account established by resolution 986 (1995) to be used for the purchase of locally produced goods and to meet the local costs of essential civilian needs which have been funded in accordance with the provisions of resolution 986 (1995) and related resolutions, including, where appropriate, the cost of installation and training services. While draft arrangements were drawn up by the Office of the Iraq Programme, the Government of Iraq has, on two occasions, refused to issue visas to the experts selected by the Office to examine whether the proposed arrangements are viable, practical, and can be implemented in accordance with the relevant resolutions. A note verbale to this effect was sent to the United Nations Office of the Humanitarian Coordinator for Iraq on 10 August 2000 by the Government of Iraq. In addition, during the recent visit to Iraq of the Executive Director of the Iraq Programme, the

Government of Iraq declined to pursue discussions on such arrangements. Without the cooperation of the Government of Iraq on this issue, I am not currently in a position to submit to the Security Council finalized arrangements for the purposes described in paragraph 24 of resolution 1284 (1999).

Appointment of independent experts to prepare a report on the humanitarian situation in Iraq

12. In response to the Council's request in paragraph 18 of resolution 1302 (2000), I have selected and am in the process of appointing a group of independent experts to prepare a comprehensive report and analysis of the humanitarian situation in Iraq, including current needs arising from that situation, and recommendations to meet those needs. However, in discussions with the United Nations, the Government of Iraq has indicated that it does not intend to cooperate with or issue visas to such experts.

Processing and approval of applications

13. Pursuant to paragraph 8 of resolution 1302 (2000), the Office of the Iraq Programme prepared a list of items relating to the water and sanitation sector for review and approval by the Security Council Committee. The list, which contained 1,581 items, was submitted to the Committee on 3 July 2000. Following consultations, the Committee approved the list, with the exception of 12 items, on 11 August 2000. Applications concerning items that have been deleted will continue to be circulated to the Committee. The Office will commence notifications under the approved list, pursuant to paragraph 17 of resolution 1284 (1999), as soon as applications containing items on the list are submitted.

14. In the oil sector, pursuant to paragraph 18 of Security Council resolution 1284 (1999), the Security Council Committee approved on 17 July 2000 a list of oil spare parts and equipment for individual projects under phase VII. The group of experts which was appointed by the Committee pursuant to paragraph 18 of resolution 1284 (1999) has started approving applications for parts and equipment in the oil sector, in conformity with the list approved by the Committee.

15. As at 31 July 2000, the Office of the Iraq Programme had received 577 applications for oil spare parts and equipment under phase VII, with a total value of $292.19 million, of which 377, with a total value of $153.15 million, were submitted to the Committee. The Committee approved 287 applications, valued at $112.37 million, and placed 86 on hold, worth $39.95 million. Furthermore, a total of four applications, with a total value of $0.79 million, were approved by the group of experts. Applications under evaluation totalled 129 for phase VII.

16. The project-based list of oil spare parts and equipment under phase VIII was submitted by the Office to the Security Council Committee on 8 August 2000 for its review and approval; it was placed on hold by the Committee on 23 August 2000.

17. I should like to express my concern at the large volume and value of applications which have remained under evaluation for such extended periods of time, only because of the lack of timely response to requests by the Secretariat to the Permanent Missions concerned for additional technical information and/or clarifications. I should therefore like to appeal to all concerned to respond expeditiously to requests by the Secretariat for appropriate information made in that regard.

Monitoring of oil spare parts and equipment

18. The arrival of oil spare parts and equipment authorized under phases IV to VII continues at an increasing pace. Between 1 May and 31 July 2000, materials covered by 181 contracts were fully delivered and monitored. Clarification is being sought on 53 contracts, which therefore remain under letters of discrepancy. Further, the materials specified in 19 contracts have arrived in Iraq but have not yet been unpacked and are currently in storage, and 119 partial deliveries have been made.

19. The value of the goods delivered during the period (estimating the letters of discrepancy and partial deliveries on the basis of prior performance) is $107.5 million. The total value of deliveries of oil spare parts and equipment since July 1998 (phase IV) is $307.8 million.

20. Transport problems, in particular from Umm Qasr to Basrah, continued to be experienced. Storage space in the Basrah regional warehouse remains problematic, exacerbated by the non-arrival of certain key elements without which the distribution of items already in storage cannot be effected.

21. All oil spare parts and equipment delivered to Iraq under the programme have remained under general observation and monitoring by the United Nations. Items approved by the Security Council Committee or the group of experts on the condition of end-use monitoring will be subjected to the already established monitoring and reporting arrangements. From the introduction in April 2000 of the arrangements regarding end-use monitoring of oil spare parts and equipment until 25 August 2000, a total of 213 contracts, with a total value of $120 million, have been released from hold and approved, on the basis that the end use of these items is monitored by Saybolt. To date, however, none of these materials has arrived in Iraq.

United Nations observation process

22. In response to the Security Council's request in paragraphs 3 and 12 of resolution 1302 (2000), a number of steps have been taken to ensure the effective implementation of the resolution, to improve the distribution of humanitarian goods and to enhance the United Nations observation process in Iraq. The measures to improve the observation process, details of which were given in my previous report (S/2000/520 of 1 June 2000), were put into effect on 20 July 2000. These arrangements will be kept under constant review, so that required adjustments may be made as appropriate.

23. In the food sector, different locally produced food items, including fruits, vegetables, poultry, eggs, meat and dairy products, have become increasingly available in markets throughout the country. Unfortunately, most Iraqis do not have the necessary purchasing power to buy these foods and the monthly food ration represents the largest proportion of their household income. United Nations observations reveal that 70 per cent of families barter or sell some of the items in the food basket to obtain other essential goods. This practice is one of the reasons why the nutritional situation remains poor.

24. To address the level of holds placed on food-handling materials, a World Food Programme (WFP) logistics mission visited Iraq from 21 June to 1 July 2000 to assess the sector's transportation and logistical capacity and to enhance the observation strategy of WFP in the food-handling subsector. The mission found most of the equipment in the port of Umm Qasr, the railways, the trucking fleet and the mills on which the sector depends in a deplorable state, owing to age, poor maintenance and lack of spare parts. The mission was encouraged to learn, however, that the Government of Iraq was already entering into contracts for the gradual replacement of the mills in question. The Government has submitted a considerable number of applications to improve the warehousing and handling of humanitarian supplies, including applications for trucks, forklifts, cold-chain vehicles and related equipment.

25. Observations by the United Nations confirmed that the deteriorated conditions of the existing trucking fleet resulted in frequent breakdowns. Deliveries of 14 of 40 trucks have been made to six governorates, while the 50 forklifts received under phase V are currently undergoing pre-distribution formalities. A major positive development in June 2000 was the release of railway-related contracts with a value in excess of $70 million. This was the first release of key locomotive and railway infrastructure materials.

26. Given the concern raised in earlier reports about difficulties in food quality testing, another WFP mission was fielded from 16 June to 5 July 2000 to appraise food quality control capacity in Iraq and the conditions required to maintain the necessary quality in storage installations. Its report confirmed that laboratories have been significantly impeded in their work by the lack of supplies, the dilapidated state of their equipment, and the holds on applications that have exacerbated these difficulties.

27. In the health sector, which was heavily dependent upon imports and Government support, there has been a steep decline in the provision of health care and services, owing to a number of factors, including the departure of both foreign and Iraqi skilled health professionals. Further, difficulties continue to be experienced in the distribution of medical supplies, equipment, and medicines under the programme, despite recent improvements. While there have been some improvements in the health sector, in general these have tended to be localized in time and place. They include the reduction of buffer stocks to 14.11 per cent, the lowest level in a year, and the vaccination programmes in Dahuk, Erbil and Sulaymaniyah. As has been reported on many previous occasions, the need for proper training for personnel installing and utilizing newly imported equipment also needs to be addressed.

28. I welcome the greater attention to the priority requirements of the health sector that the Government has shown through its increased allocation to this sector in the context of the distribution plan for phase VIII. This budgetary increase is in line with the previous recommendation made by me in my supplementary report (S/1998/90). Given the range of problems facing the health sector, an overall assessment of all key issues in regard to procurement, holds, information provision, delivery and distribution will be undertaken in cooperation with the Government of Iraq. This will facilitate the prioritization of needs in the sector and the related financial requirements for their implementation.

29. On 5 July 2000, a team of observers from the World Health Organization (WHO), the Multidisciplinary Observation Unit and the Geographical Observation Unit visited the Samara Drug Industry (SDI) facilities, following negotiations between the United Nations and the Iraqi authorities to resolve issues relating to the observation of those facilities. The observers reported that the plant would require substantial investment, including the release from hold of $25.2 million worth of contracts (pending receipt of necessary related information from the Government of Iraq), to bring it up to international standards of good manufacturing practices. SDI management has given assurances that it will cooperate fully with the United Nations and that observation of its facilities can be carried out at any time, with or without prior notification.

30. In regard to health supplies, the continuing hold placed on equipment for a computerized stock management system hinders the effective implementation of the programme, and I am requesting WHO to submit a report on this matter as expeditiously as possible. Within the health sector, special food assistance is provided to malnourished children under 5 years of age and to pregnant and lactating women through health centres and nutrition rehabilitation centres. However, the needs of female-headed households and children in difficult circumstances are not specifically addressed although United Nations agencies have drawn attention to the severity of social problems associated with such groups.

31. In the area of water and sanitation, infrastructural degradation is evident across the subsectors, from water treatment to water distribution. In the absence of key complementary items currently on hold and adequate maintenance, spare parts and staffing, the decay rate of the entire system is accelerating. To the extent possible, priority is being given by the Government to emergency repair, so as to ensure that water supply is maintained to consumers. Less attention, however, is given to sewage treatment, leaving Iraq's two main raw water sources (the Tigris and Euphrates Rivers) heavily polluted, and raising significant concerns for the future.

32. There is concern not only as regards the degree of water treatment possible, but also the quality of that treatment. Again, in this context, primary needs must be emphasized and increased funds should be directed first and foremost to infrastructural repairs that will help avert humanitarian crises.

33. The area of education poses one of the most intractable problems facing the country. Iraq's literacy rate (53.7 per cent of the adult population and 70.7 per cent of youth)[1] has remained fixed for a number of years. School enrolment in the centre and south of the country has dropped, moreover, as families have felt obliged to send their children to work to bring needed income home. In contrast, in the northern governorates, enrolment has actually risen, because of sustained rehabilitation of educational facilities and availability of school supplies, as well as general economic improvement.

34. In the education sector, United Nations observation teams observed the distribution and utilization of computers in eight governorates. It is anticipated that observation in this sector will intensify with the release from hold of applications for specialized equipment for vocational schools, such as dental instruments, generating sets, demonstration motors and oscilloscopes, worth $6.9 million. United Nations observation visits to industrial, agricultural, commercial and vocational schools revealed that many of them are being adversely affected by severe power outages, and by the unavailability of basic classroom equipment and facilities, including computers.

35. Action needs to be taken to address the problems in the education sector more fully and effectively, particularly given its long-term implications. For this reason, I am encouraged to see the emphasis on educational materials and infrastructure reflected in the distribution plan for phase VIII, which I believe should be both supported and enhanced. It is also important to note that UNICEF will turn its attention to such crucial

questions as school enrolment and the situation of street children.

36. Infrastructural impediments in the electricity sector continue to raise concern, as available generation capacity in the centre and south of the country remains at 50 per cent of installed capacity and rationing is still necessary. While the Electricity Commission has been able to limit planned power outages to 4 hours per day in Baghdad, the other central and southern governorates have experienced outages of between 12 and 18 hours. Electricity supply throughout the network remains at risk through unforeseeable incidents. In August 2000, for example, the malfunctioning as a result of fire in the transmission lines at Mussaiyab Power Station resulted in the loss of 600 MW, which in turn increased power outages to 8 hours per day for consumers in Baghdad and up to 20 hours in other affected governorates. The entire electricity grid is in a precarious state and is in imminent danger of collapsing altogether should another incident of this type occur. As at 31 July 2000, 25 per cent of the electricity sector contracts submitted to the Security Council Committee were on hold. These holds represent the most critical components and spare parts, making much of the equipment already delivered under the programme inoperable. It is my hope that a rapid resolution will be found to this issue.

37. To address the humanitarian emergency in Dahuk, Erbil and Sulaymaniyah resulting from the ongoing drought, and to alleviate the critical power shortfall in the short term, the programme has taken measures to provide electricity for basic civilian needs, including the installation of diesel generators. Teams from the Geographical Observation Unit conducted end-user observations of the generators that have been installed across the governorates under the emergency drought relief programme. In the main, the generators were found to be functioning well and as intended, although there were a few cases where complementary items were lacking or where there was poor installation. To adequately address the minimum requirements of the civilian population and public services in the region, the preferred option is reconnection to the national grid. However, this is dependent on sufficient and reliable power supply at the national level. The United Nations has initiated discussions with the Government of Iraq, first, to ensure, as stipulated in the Government's distribution plan, the provision of adequate fuel for emergency generation and, secondly, to identify the steps required for reconnection to the national grid.

38. During July 2000, the International Telecommunication Union (ITU) opened offices in Baghdad and Erbil. An assessment review mission is currently in Iraq to decide on the technical specifications of the switching systems in the three northern governorates and the transmission links between them, giving due consideration to operational coherence with telecommunications systems in central and southern Iraq. As a follow-up to the lifting of the hold on the earth station, ITU will now proceed with the recruitment of an appropriately qualified engineer, in addition to those ITU staff who have been assigned observation functions. Other international and national observation personnel will be recruited and deployed in order to provide the Security Council Committee with the necessary assurances that telecommunications equipment is distributed and utilized strictly in accordance with the purposes for which it has been authorized. It is my hope that the Committee will expedite the release of communications equipment on hold, as the lack of communications equipment is having a negative multiplier effect on the implementation of the humanitarian programme.

39. The number of accidents related to mines and unexploded ordnance in the 15 governorates of the south and centre remains of concern. It should be noted, however, that although the Government has yet to include mine or ordnance clearance activities within the distribution plan, it does provide for all citizens injured in mine-related accidents by making medical and prosthetic supplies available to Ibn al Kuff hospital and other appointed medical centres. There have also been reports of bilateral discussions on the setting up of mine clearance activities.

40. I welcome the inclusion of the housing sector in the distribution plan for phase VIII, which was approved on the same basis and understandings as detailed in my letter of 12 June 2000 to the President of the Security Council (S/2000/565) describing proposals made by the Government for the inclusion of a housing sector in the distribution plans for phases VI and VII. In July, two senior housing consultants visited the country and worked out the modalities for United Nations observations in the housing sector.

41. In the course of the reporting period, 64,852 observations were carried out countrywide in all

sectors. In addition, two specialist consultants were engaged. A mission on water and sanitation was fielded from 1 to 30 June 2000, primarily to propose solutions that might achieve the early release of contracts placed on hold for projects in this sector, and to improve United Nations observation. In July 2000 a mission was deployed with an identical mandate in the electricity sector. The water and sanitation sector report was made available to the Security Council Committee in August. The electricity sector mission's report is expected in September 2000.

42. After over three years of programme implementation in Dahuk, Erbil and Sulaymaniyah, comprehensive evaluations of current and planned activities in all sectors by United Nations agencies and programmes have already been completed or are being initiated. These exercises examine the achievements, shortcomings and constraints of activities and identify areas of improvement or redirection in the programme.

43. On 28 June 2000, an armed Iraqi citizen gained entry into the premises of the Food and Agriculture Organization of the United Nations (FAO) in Baghdad. In the ensuing exchange of gunfire between the intruder and the Government of Iraq security guards, two FAO staff members were killed, and eight persons, including four United Nations staff members, were injured. During his recent visit to Iraq, the United Nations Security Coordinator was informed by the Government that its own judicial investigation of that incident is still under way and that the findings of the investigation would be made known to the United Nations. Enhanced security measures have been put in place in all United Nations premises in Iraq and the Government has assured the Security Coordinator of its continuing commitment to the safety and security of United Nations personnel in Iraq.

44. The Government has generally met the requirements of the United Nations for entry visas for international staff involved in the implementation of resolution 986 (1995). There have, however, been isolated cases where the Government has denied approval of visas, as indicated in paragraph 11 above.

III. Concluding observations

45. Some three and a half years into the implementation of the humanitarian programme authorized by the Security Council in resolution 986 (1995), its successes and limitations have become clearer. The differences in conditions between the various sectors and regions and the importance of understanding and responding to them more fully have also become increasingly evident.

46. In many sectors, infrastructure remains heavily incapacitated despite the ordering by the Government of Iraq of essential inputs. Complementary items have frequently been kept on hold long after the central items with which they were intended to be used have been delivered. This situation renders the distribution of humanitarian aid and the amelioration of the overall situation more difficult and places an additional strain on the already heavily burdened population by delaying the arrival and use of many key supplies and equipment essential to all sectors. Despite the commendable efforts which had been made to bring about a reduction in the number of contracts on hold, 647 contracts for humanitarian supplies, worth $1.5 billion, and 504 contracts for oil and spare parts, worth $279 million, were on hold as at 28 August 2000. While the programme allows for the importation of goods for infrastructural repair, it does not allow for financial investments into infrastructural rehabilitation projects. Hence the impact of the imported goods under Security Council resolution 986 (1995) is limited. These limitations must be addressed if the humanitarian challenge is to be met in full.

47. I welcome measures taken by the Security Council to improve procedures to expedite notification of applications in the agriculture, food, nutrition, health, education, and water and sanitation sectors, as well as approval of contracts for oil and spare parts. I strongly urge the expansion and extension of the lists and procedures involved to all remaining sectors in the distribution plan. An early decision by the Security Council Committee on the use of the $52 million in unencumbered funds, now available for alternate allocation, would be of significant assistance. I also welcome the increases by the Government in the allocation of funds in the distribution plan for food and health. In thanking the Government of Iraq for its overall cooperation in the implementation of the programme, I would like to request that this cooperation be intensified so as to enhance the programme's effectiveness. By continuing to work for such improvements the programme will be able to deliver better support for the Iraqi people.

48. The programme has been providing vital assistance to the Iraqi population in meeting its daily needs and coping with the hardships it has been facing. Recent substantial increases in revenue will facilitate these efforts, but it is important to recall that the full impact of such increased finding will take time to be felt, as it is dependent on timely approval and delivery of goods and their subsequent distribution. If the increased level of resources now becoming available could be complemented by greater concerted efforts to reduce the number of contracts being placed on hold, there would be a marked improvement in many sectors and the easing of constraints that have impeded the effective implementation of the programme to date. The United Nations will continue to emphasize the need to obtain the maximum beneficial impact from the programme, with due consideration to requirements and conditions that may vary from one area to another.

49. As I have indicated in my previous reports, grave problems persist within the country and the economic and social welfare of the Iraqi people continues to be of serious concern. Many humanitarian and human rights organizations have highlighted the suffering of the people of Iraq, in particular that of children and other vulnerable groups. The humanitarian programme was never intended to meet all the humanitarian needs of the Iraqi population or to substitute for normal economic activity. The humanitarian situation in Iraq and the potential for its improvement are linked to various factors, a number of which are extraneous to the direct implementation of the programme. Every effort should, therefore, be made to alleviate the suffering of the people of Iraq and to minimize the long-term adverse effects, particularly for children and youth.

50. The safety and security of United Nations personnel serving in Iraq is also of primary concern to me. They have been assigned to work in a difficult situation, sometimes at great risk. I was deeply shocked at the recent tragic killing of two FAO staff members and the injuries sustained by eight persons, including four United Nations staff, within the premises of the FAO office in Baghdad and I would like to reiterate my tribute to the victims. While the United Nations will continue to ensure that proper security arrangements are maintained for its personnel, the primary responsibility for their protection rests with the Government. I call on the Government to complete its investigation of this incident expeditiously and to convey the result with the United Nations. I would like to take this opportunity to appeal for restraint in public pronouncements that could inadvertently affect the safety and security of United Nations personnel serving in Iraq. They are in the country to assist in alleviating the suffering of the people and they deserve not only full protection but also our deep gratitude and praise.

Notes

[1] See *Human Development Report 2000* (United Nations publication, Sales No. E.00.III.B.8).

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Letter dated 7 September 2000 from the Chargé d'affaires a.i. of the Permanent Mission of Yugoslavia to the United Nations addressed to the President of the Security Council

I have the honour to forward, enclosed herewith, a note verbale of the Federal Ministry of Foreign Affairs of the Federal Republic of Yugoslavia of 4 September 2000 submitted to the Ministry of Foreign Affairs of the Republic of Croatia relative to the implementation of the Agreement on Normalization of Relations between the Federal Republic of Yugoslavia and the Republic of Croatia (see annex).

I should be grateful if you would have the present letter and its annex circulated as a document of the Security Council.

(*Signed*) Vladislav **Jovanovic**
Chargé d'affaires a.i. of the Permanent Mission of Yugoslavia to the United Nations

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Annex to the letter dated 7 September 2000 from the Chargé d'affaires a.i. of the Permanent Mission of Yugoslavia to the United Nations addressed to the President of the Security Council

The Federal Ministry of Foreign Affairs of the Federal Republic of Yugoslavia presents its compliments to the Ministry of Foreign Affairs of the Republic of Croatia and, confirming its openness and readiness for the continuation of the process of normalization and development of bilateral cooperation in the mutual interest, has the honour to point out the following.

The Federal Ministry of Foreign Affairs notes with regret that for more than a year the implementation of the Agreement on Normalization of Relations between the Federal Republic of Yugoslavia and the Republic of Croatia, concluded on 23 August 1996 in Belgrade (see A/51/318-9-S/1996/706), has stagnated due to the passive attitude and lack of cooperation on the Croatian side.

The Croatian side unilaterally discontinued the negotiations to resolve the issue of missing persons and, from March 1999 until July 2000, despite several initiatives on the Yugoslav side, has not called a meeting of the Commission of the Federal Government of the Federal Republic of Yugoslavia for humanitarian issues and missing persons and the Commission of the Government of the Republic of Croatia for detained and missing persons.

In doing so, it has also violated the agreement between the two Ministers for Foreign Affairs of 18 August 1998 on the exchange of all detainees according to the principle "all for all".

The Croatian side continues to obstruct the agreement between the two Ministers, while the recent release from jail of five Serbs cannot satisfy the Yugoslav side, which is still expecting that all persons covered by this agreement will be released.

The Republic of Croatia, for no valid reason, did not accept an official proposal of the Yugoslav side to hold a meeting, at the end of June 2000 in Belgrade, of the Joint Yugoslav-Croatian Commission for the implementation of article 7 of the Agreement on Normalization of Relations (free and safe return of refugees and displaced persons; restitution of their property, i.e. ensuring fair compensation; full security of returning refugees and displaced persons; ensuring conditions for a normal life in safety; proclamation of general amnesty, except for acts that have the character of war crimes; encouragement and full implementation of the Erdut Agreement; guarantees for equal legal protection of the property of physical and legal persons of both sides).

The Croatian side is delaying the continuation of work of the Commissions of the two sides for the resolution of the question of Prevlaka as provided for under the Agreement on Normalization of Relations. The Commissions have not met for more than a year, despite the repeated promises of the Croatian side to propose a date for a meeting. On the other side, the official representatives of the Republic of Croatia hold talks on this issue with the representatives of the Government of Montenegro, which, under the constitution of the Federal Republic of Yugoslavia and the constitution of Montenegro, has no mandate or international capacity for such negotiations. Also, without the knowledge or appropriate bilateral agreement, border

crossings between the Republic of Croatia and the Federal Republic of Yugoslavia have illegally been opened on a part of the Yugoslav-Croatian border in the Republic of Montenegro, unilaterally violating the border regime between the two countries. The Republic of Croatia thereby unilaterally violates the obligations assumed under the Agreement on Normalization of Relations.

The Croatian side systematically avoids the talks on the establishment of the border line between the two countries on the Danube.

It has also failed to demonstrate readiness or good will to meet, in a timely fashion, the request of the Yugoslav side to enable it, as soon as possible, to repair and make operational the bridge near Bačka Palanka and Ilok, destroyed in the NATO aggression against the Federal Republic of Yugoslavia, which is of vital importance for the residents living in the border area between the two countries.

Contrary to the provisions of the Agreement on Normalization of Relations (article 5 of the Agreement), in which the Republic of Croatia recognized the international legal continuity of the Federal Republic of Yugoslavia, Croatia is now breaching its obligations under the above Agreement, which it unequivocally accepted, by joining the action to challenge the status of the Federal Republic of Yugoslavia within the United Nations.

Also, the Yugoslav side must note that the Republic of Croatia slowly and inadequately fulfils its obligations assumed under the Basic Agreement on the Region of Eastern Slavonia, Baranja and Western Sirmium (the Erdut Agreement) and the letter of intention concerning the unimpeded and free return of expelled and displaced Serbs, protection of human rights and security of all Serbs living in the area, restitution of their property and compensation for seized, destroyed or damaged property. The Republic of Croatia is not consistently honouring the provisions of these documents, particularly the letter of intention, guaranteeing to the Serbs living in the region of Eastern Slavonia, Baranja and Western Sirmium education and cultural autonomy (para. 8 of the letter of intention).

The return of expelled Serbs to the Republic of Croatia is extremely slow, without guarantees to those wishing to return that they will be able to do so in the near future. The statements of the highest ranking representatives of the new Croatian authorities announcing substantial changes in regard to the resolution of this sensitive humanitarian issue, raising the expectations of a great number of refugees that they will be able to return to their homes, have not been translated in practice or have been indefinitely postponed by red tape.

The instances of rude physical assault, harassment and attack on the returning Serbs continue, with fatal outcomes (killings in Berak, Zadar, Šibenik, the village of Borik near Mikleuš, Lička Kaldrma), as well as other serious incidents (Lovas, Tovarnik, Sotin, Tompojevci, Stari Jankovci, the desecration of tombstones of murdered Serbs in Veljun near Slunj), to which the Croatian authorities have failed to respond in a timely and appropriate fashion.

Moreover, the Republic of Croatia has made its territory available for foreign television and radio transmitters, thus jamming the normal functioning of the Yugoslav radio and television stations and leading an anti-Yugoslav propaganda campaign, which is a form of interference in internal affairs, unacceptable from the point of view of the principles of international relations and the violation of the Agreement on Normalization of Relations.

At the same time, the Republic of Croatia has unilaterally joined separate negotiations with the Republic of Montenegro, a federal unit of the Federal Republic of Yugoslavia, in flagrant violation of the Agreement on Normalization of Relations, under which the Republic of Croatia assumed an obligation to regulate its relations and resolve the problems in dialogue with the Federal Republic of Yugoslavia.

The highest-ranking Croatian representatives, the President of the Republic, Stjepan Mesić, the Prime Minister, Ivica Račan, and the Minister for Foreign Affairs, Tonino Picula, have, in the past few months, given several interviews and statements in the Republic of Croatia and abroad concerning political and social developments in the Federal Republic of Yugoslavia, interfering in a rude and unacceptable manner in internal affairs and issues of the Federal Republic of Yugoslavia, which should be condemned in strongest terms and rejected as conduct contrary to the fundamental norms of international relations, and the letter and spirit of the Agreement on Normalization of Relations.

In that connection, the Federal Ministry of Foreign Affairs wishes to draw attention to the fact that the contacts, communications and agreements with the federal authorities of the Federal Republic of Yugoslavia represent the sole and irreplaceable way of initiating and resolving all issues which the Republic of Croatia has an interest in raising and resolving in mutual relations. All other agreements, treaties or acts concerning the relations between the Federal Republic of Yugoslavia and the Republic of Croatia lack legal grounds, are contrary to the Agreement on Normalization of Relations and domestic and international law and shall not be recognized, while the harmful consequences shall be borne by the Croatian side.

The Federal Ministry of Foreign Affairs expresses its concern over the continued violations, delays and avoidance to carry out further already scheduled and agreed activities and steps in the implementation of the Agreement on Normalization of Relations.

The Federal Ministry of Foreign Affairs calls upon the Republic of Croatia to give up its past practice and resume respect for the process of normalization of relations with the Federal Republic of Yugoslavia on the basis of the Agreement on Normalization of Relations, which is in the mutual interest of both parties, as well as in the interest of peace, stability and development in the region.

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Letter dated 8 September 2000 from the Chargé d'affaires, a.i., of the Permanent Mission of Yugoslavia to the United Nations addressed to the President of the Security Council

Paragraph 4 and paragraphs 6 and 10 of annex 2 to Security Council resolution 1244 (1999) of 10 June 1999 provide explicitly for the return of an agreed number of Yugoslav and Serbian military and police personnel to Kosovo and Metohija, the autonomous province of the Yugoslav constituent Republic of Yugoslavia. Specifically, paragraph 6 of annex 2 provides for the performance of the following functions:

- Liaison with the international civil mission and the international security presence;
- Marking/clearing minefields;
- Maintaining a presence at Serb patrimonial sites;
- Maintaining a presence at key border crossings.

The Federal Republic of Yugoslavia has carried out all its obligations under resolution 1244 (1999) and the military-technical agreement, whereby all conditions have concurred for the return of the said personnel to the southern Serbian province of Kosovo and Metohija.

Conversely, the Kosovo Force (KFOR) and the United Nations Interim Administration Mission in Kosovo (UNMIK) have carried out none of their obligations notwithstanding the fact that almost 15 months have elapsed since their deployment. The return of Yugoslav and Serbian military and police personnel to Kosovo and Metohija continues to be unjustly obstructed, which seriously threatens the implementation of the resolution and the military-technical agreement.

The Federal Republic of Yugoslavia has continuously pointed to this serious problem and requested KFOR and UNMIK to carry out their obligations fully and consistently and implement the provisions of resolution 1244 (1999) and the military-technical agreement, providing unequivocally for the return of Yugoslav and Serbian military and police personnel to Kosovo and Metohija. The negative development so far, as well as the deterioration of the overall situation in Kosovo and Metohija, bear witness to the need for a speedy deployment of the said personnel in this Serbian province. The situation, despite the 14-month presence of KFOR and UNMIK, is dramatic: terror and violence escalate; ethnic cleansing and genocide against Serbs and other non-Albanians intensify; organized crime, illicit

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trade in narcotics and white slavery have assumed unprecedented proportions; and chaos and lawlessness reign supreme. Since the deployment of KFOR and UNMIK, over 360,000 Serbs, Montenegrins, Roma, Goranci, Turks, Muslims and other non-Albanians have been expelled, over 5,000 terrorist acts, primarily against Serbs, have been committed, 1,100 persons have been killed, about 1,000 wounded and about the same number abducted by the members of the terrorist so-called Kosovo Liberation Army (KLA).

KFOR and UNMIK missions have been a fiasco as they failed, almost 15 months after their deployment, to carry out any of the key provisions of resolution 1244 (1999):

- The sovereignty and territorial integrity of the Federal Republic of Yugoslavia (para. 10 and para. 8 of annex 2 to resolution 1244 (1999)) continue to be systematically violated;
- KLA and other armed Albanian groups (para. 9 (b)) have been neither demilitarized, disarmed nor disbanded;
- The border of the Federal Republic of Yugoslavia with the Republic of Albania and the Republic of Macedonia has not been monitored (para. 9 (g)), which enabled unhindered, illegal entry to over 250,000 foreigners into Kosovo and Metohija, mostly terrorists, criminals and armed gangs from Albania;
- A secure environment in which refugees and displaced persons can return home in safety (para. 9 (c)) has not been established;
- Public safety and order (para. 9 (d)) and the freedom of movement, a *conditio sine qua non* of the realization of any other right, have not been ensured;
- Human rights (para. 11 (j)) have not been protected and promoted, hence massive violations of the rights of Serbs, Montenegrins, Roma, Goranci, Turks, Muslims and other non-Albanians;
- Serb patrimonial sites (para. 6 of annex 2) have not been protected, hence the destruction of over 100 Christian Orthodox churches, monasteries and cultural monuments, many of which UNESCO has proclaimed as part of world cultural heritage.

Proceeding from those considerations and desirous to render its full contribution to a thorough implementation of the provisions of resolution 1244 (1999), the Federal Republic of Yugoslavia has established a combined detachment for special purposes, the Kosovo and Metohija Detachment of Peace, ready to be deployed in Kosovo and Metohija.

The Detachment, consisting of the forces of the Army of Yugoslavia and the Ministry of the Interior of the Republic of Serbia, is a unit of good intentions for all good-intentioned residents of Kosovo and Metohija and all soldiers under the flag of the United Nations who respect their military honour. Detachment members possess the highest professional and moral qualities and know the situation in Kosovo and Metohija well. They provided ample evidence of the readiness to carry out their tasks under resolution 1244 (1999) and the military-technical agreement at their first public presentation on 1 September 2000 attended by foreign military envoys accredited in the Federal Republic of Yugoslavia.

Proceeding from the fact that the Federal Republic of Yugoslavia has carried out all its obligations under resolution 1244 (1999) and the military-technical agreement, the Government of the Federal Republic of Yugoslavia calls on the Security Council to make it possible for the contingent of Yugoslav and Serbian military and police personnel to be deployed in Kosovo and Metohija without delay. The deployment would help implement the key provisions of resolution 1244 (1999) and the military-technical agreement and create a secure environment for all residents of Kosovo and Metohija, putting an end to the present chaos, lawlessness and insecurity in this Serbian province.

I should be grateful if you would have the present letter circulated as a document of the Security Council.

(Signé) Vladislav **Jovanovic**
Chargé d'affaires a.i.